

HOUSE BILL No. 1174

DIGEST OF INTRODUCED BILL

Citations Affected: IC 36-1-7-8.5; IC 36-3-2-8.5; IC 36-4; IC 36-8-8.7.

Synopsis: Firefighters in annexed or merged areas. Requires an annexing municipality to employ a full-time, fully paid firefighter of the annexed territory's fire department or fire protection district at the same salary and with equivalent health benefits and pension benefits if the firefighter's employment with the annexed territory must be reduced or terminated as a result of the annexation. Provides that a full-time, fully paid firefighter of: (1) a municipality that merges with another municipality; or (2) a political subdivision that consolidates its fire services with the services of another political subdivision; becomes a full-time, fully paid firefighter of the merged municipality or the consolidated fire department at the same salary and with equivalent health benefits and pension benefits. Requires that the firefighters receive full credit under the pension plan for prior service with the firefighters' former department.

Effective: July 1, 2004.

Adams T, Alderman

January 13, 2004, read first time and referred to Committee on Local Government.

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Introduced

Second Regular Session 113th General Assembly (2004)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2003 Regular Session of the General Assembly.

HOUSE BILL No. 1174

A BILL FOR AN ACT to amend the Indiana Code concerning local government.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 36-1-7-8.5 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2004]: **Sec. 8.5. (a) This section applies to a political subdivision**
4 **that:**

5 (1) **enters into an interlocal agreement with at least one (1)**
6 **other political subdivision to consolidate the fire services of**
7 **the political subdivisions; and**

8 (2) **has a fire department that employs at least one (1)**
9 **full-time, fully paid firefighter.**

10 (b) **A firefighter described in subsection (a)(2) is entitled to:**

11 (1) **be employed as a full-time, fully paid firefighter of the**
12 **consolidated fire department;**

13 (2) **receive the same salary and equivalent health benefits that**
14 **the firefighter received from the political subdivision before**
15 **the effective date of the consolidation;**

16 (3) **retain all vacation, sick, and personal days accrued before**
17 **the effective date of the consolidation; and**



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(4) be offered retirement benefits under IC 36-8-8.7;
as of the effective date of the consolidation.

(c) A political subdivision described in subsection (a) may not reduce or terminate the employment or benefits of a full-time, fully paid firefighter who is employed by the political subdivision before the effective date of the consolidation:

(1) as a result of the consolidation; and

(2) before the firefighter is employed as a full-time, fully paid firefighter of the consolidated fire department under subsection (b).

(d) This section does not prohibit a political subdivision from taking disciplinary action for cause against a full-time, fully paid firefighter, including suspending or discharging the firefighter.

SECTION 2. IC 36-3-2-8.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 8.5. (a) This section applies if:

(1) a municipality annexes the territory of a unit that has a fire department or is part of a fire protection district; and

(2) the annexation will cause the fire department or fire protection district to:

(A) reduce or eliminate the fire department or fire protection district; and

(B) reduce or terminate the employment of at least one (1) full-time, fully paid firefighter of the fire department or fire protection district.

(b) A firefighter described under subsection (a)(2) is entitled to:

(1) be employed by the fire department or fire protection district of the annexing municipality as a full-time, fully paid firefighter;

(2) receive the same salary and equivalent health benefits that the firefighter received from the unit before the effective date of the annexation;

(3) retain all vacation, sick, and personal days accrued before the effective date of the annexation; and

(4) be offered retirement benefits under IC 36-8-8.7;
as of the effective date of the annexation.

(c) The fire department or fire protection district of an annexing municipality may not, as a result of the annexation, reduce or terminate the employment or benefits of a full-time, fully paid firefighter who is employed before the effective date of the annexation.

(d) The fire department or fire protection district of the annexed

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territory may not reduce or terminate the employment or benefits of a full-time, fully paid firefighter who is employed before the effective date of the annexation:

(1) as a result of the annexation; and

(2) before the firefighter is employed as a full-time, fully paid firefighter of the annexing municipality under subsection (b).

(e) This section does not prohibit a fire department or fire protection district from taking disciplinary action for cause against a full-time, fully paid firefighter, including suspending or discharging the firefighter.

SECTION 3. IC 36-4-2-18 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: **Sec.18. (a) This section applies to a municipality that:**

(1) merges with another municipality; and

(2) has a fire department that employs at least one (1) full-time, fully paid firefighter.

(b) A firefighter described in subsection (a)(2) is entitled to:

(1) be employed as a full-time, fully paid firefighter of the new municipality;

(2) receive the same salary and equivalent health benefits that the firefighter received from the other municipality before the effective date of the merger;

(3) retain all vacation, sick, and personal days accrued before the merger; and

(4) be offered retirement benefits under IC 36-8-8.7;

as of the effective date of the merger.

(c) A municipality described in subsection (a) may not reduce or terminate the employment or benefits of a full-time, fully paid firefighter who is employed before the effective date of the merger:

(1) as a result of the merger; and

(2) before the firefighter is employed as a full-time, fully paid firefighter of the new municipality under subsection (b).

(d) This section does not prohibit a municipality described in subsection (a) from taking disciplinary action for cause against a full-time, fully paid firefighter, including suspending or discharging the firefighter.

SECTION 4. IC 36-4-3-7.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: **Sec. 7.5. (a) This section applies if:**

(1) a municipality annexes the territory of a unit that has a fire department or is part of a fire protection district; and

(2) the annexation will cause the fire department or fire

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protection district to:

(A) reduce or eliminate the fire department or fire protection district; and

(B) reduce or terminate the employment of at least one (1) full-time, fully paid firefighter of the fire department or fire protection district.

(b) A firefighter described in subsection (a)(2)(B) is entitled to:

(1) be employed by the fire department or fire protection district of the annexing municipality as a full-time, fully paid firefighter;

(2) receive the same salary and equivalent health benefits that the firefighter received from the unit before the effective date of the annexation;

(3) retain all vacation, sick, and personal days accrued before the effective date of the annexation; and

(4) be offered retirement benefits under IC 36-8-8.7; as of the effective date of the annexation.

(c) The fire department or fire protection district of an annexing municipality may not, as a result of the annexation, reduce or terminate the employment or benefits of a full-time, fully paid firefighter who is employed before the effective date of the annexation.

(d) In the fiscal plan prepared by the annexing municipality under section 13 of this chapter, the municipality must address the employment by the annexing municipality of a full-time, fully paid firefighter of the territory by the municipality described in subsection (c).

(e) A fire department or fire protection district of the annexed territory may not reduce or terminate the employment or benefits of a full-time, fully paid firefighter who is employed before the effective date of the annexation:

(1) as a result of the annexation; and

(2) before the firefighter is employed as a full-time, fully paid firefighter of the annexing municipality under subsection (b).

(f) This section does not prohibit a municipality or unit from taking disciplinary action for cause against a full-time, fully paid firefighter, including suspending or discharging the firefighter.

SECTION 5. IC 36-8-8.7 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]:

Chapter 8.7. Retirement Benefits for Firefighters in Annexed, Merged, or Consolidated Areas

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Sec. 1. This chapter applies to the following:

(1) A municipality that:

(A) annexes territory:

(i) under IC 36-4-3 and is subject to IC 36-4-3-7.5; or

(ii) under IC 36-3-2 and is subject to IC 36-3-2-8.5;

(B) merges with another municipality under IC 36-4-2 and is subject to IC 36-4-2-18; or

(C) wholly or partially consolidates its firefighting services with another political subdivision using an interlocal agreement prescribed by IC 36-1-7 and is subject to IC 36-1-7-8.5.

(2) A township that wholly or partially consolidates its firefighting services with another township using an interlocal agreement prescribed by IC 36-1-7 and is subject to IC 36-1-7-8.5.

Sec. 2. As used in this chapter, "former department" refers to the fire department of which a firefighter was a member before the annexation, merger, or consolidation described in section 1 of this chapter. The term includes a fire protection district.

Sec. 3. The following apply to each full-time, fully paid firefighter who becomes a member of a municipality's or township's fire department as the result of an annexation, a merger, or a consolidation:

(1) The municipality or township shall offer the firefighter participation in a pension plan that provides benefits at least equal to the benefits of the pension plan offered by the firefighter's former department.

(2) The pension plan offered to the firefighter must allow the firefighter to receive, for purposes of qualifying for a benefit, credit for prior service as a full-time, fully paid firefighter with the firefighter's former department.

(3) The firefighter must receive the credit described in subdivision (2) without being required to make an additional contribution.

(4) The firefighter may not use the prior service credit described in subdivision (2) to receive or to qualify to receive a benefit from more than one (1) pension plan.

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